Fletcher Board of Visitors - 13 December 1977

Q. Garbled.

A. In partial answer to your question, I would say I'm bullish. This is a good time for intelligence today. It's a good time first, because clearly there is a great need for good intelligence. We're now in the world of military parity, economic interdependence, and political intercourse with many, many nations of the world. Clearly, if we don't keep abreast of what's going on in all of these fields we're going to suffer as a nation, we're going to suffer in our pocketbooks, we're going to suffer in our prestige and we're going to suffer the possibility of military intimidation against us. It's also a good time for intelligence, I believe (and I was just saying this, here in this corner of the table) because I think we have brought out of the crucible of criticism and investigation in the last several years, an appreciation that there is a need for a good intelligence operation. I find that on Capitol Hill and I think we find it in the public. Now nobody wants abuses -- and there is a great latent suspicion of us. But we need that. At a place like Yale University, last Thursday night, there were almost only students there. Their questions to me were probing but constructive. Nobody was picketing, nobody was making diatribe speeches and so on. I found them genuinely interested. I'm encouraged. I think the opportunity is here.

Thirdly, I think it is a good time because I think we are doing something very important in shaping what I call a new model of Intelligence; an American model that contrasts with the traditional model which is maximum secrecy and minimum supervision. And we are today trying to be more open. We are trying to be more open because I think that's one way we can gain some support from the public. I think the Intelligence Community and the CIA suffered over these years of criticism, in part because they were guilty, because before nobody knew what reason they were there and couldn't come forward and support them when they were falsely accused as they were on many occasions.

Secondly, I think by being more open we can help improve the quality of debate in our country on major issues of concern. Thirdly, I think we can give the taxpayer some visible return for his money. And fourthly, by being a little more open I think we will help protect our secrets. When everything is classified secret nothing is secret. And by narrowing the corpus of secret information, which is much too large today, I hope to regenerate respect for what remains. We are publishing more studies, more product of our intelligence. Now we can't tell people how we get our information. In most cases that clearly would be foolish. But when we do a study and we look at it and say can we pick those things out which would endanger the national interest if they were published and still have something left of substantive value to the general public I feel it's a worthwhile thing to put that out. We've done this with an energy study, with a study of the world steel situation, a study on international terrorism, and with a study of the Soviet economic prospects and so on.

There is today not adequate respect for classified information in our country. The most recent case which has had some publicity is a young disaffected CIA man who published a book after signing an oath that he would clear it with us and not having done so. Over and above the merits of that man's case the logical extension of what he did is that every one of you and every one of our other 215 million Americans can be the arbiter of what should be classified and that's chaos. You know and I know that we can not tolerate that. So I have made a plea recently in the public media that it is time to begin to restore some confidence in those of us who are appointed or those who are elected as the officials of the government. Now, clearly secrecy is a dangerous thing. You've got to deal with it delicately. So in addition to trust, to some extent, the second part of our American model is oversight.

We are encouraging much more oversight of our process today than has ever happened before. To begin with the President and the Vice President are our best oversight. They are very, very active in this and I keep them fully informed of what's going on. Secondly, the Congress is really what I call a surrogate for public oversight. You can't have the same kind of public oversight of the CIA as you can of HEW. But two committees of Congress, one in the Senate for a year and a half and one in the House for three months now, are really good oversight committees. They're thorough, they interrogate us, they approach us not with hostility but with skepticism. At the same time they are a useful sounding board for me. I can go to them with problems and ask what do they think the country wants under these circumstances because I have to make judgments today on subjects that the country is going to pass judgment on five, ten, fifteen years from now. And those attitudes aren't easy to devine all the time. These committees in effect are sharing my responsibilities and you would be surprised how responsible that makes them. When you have told them we're going to do this or are doing this, they're shoulders get broader and their willingness to maintain secrets gets more real. Also, I think this oversight keeps us in better touch, in general, with the public. And I think that in some sense that if there have been some excesses in the past, it was a sense of isolation, a sense of not appreciating the realities of what was going on.

Let me conclude simply by saying that the risks in this—the risks that we'll be too open and we won't keep the secrets we have; we won't be able to maintain our liaisons with foreign nations; we won't be able to recruit spies; we won't be able to hold within the corpus what we need to; the risk that with too much oversight there will be leaks—the risks that with too much oversight the situation will become so difficult in terms of getting approval to do anything that we'll become timid and we won't take risks that we have to take. Intelligence is a risk taking business. I believe we're going to come out all right. I think it will take another two maybe three years before I can tell you that it has come out all right. It is as if we're feeling our way into this. We are negotiating charters with the Congress right now. This very morning the President called me on some last changes he is making to the new Executive Order that will set forth the Executive Branch's rules for running the whole intelligence operation. But all these things are still in a state of process. I say I'm optimistic that we are going to be able to

find that balance because of the factors that I mentioned at the beginning: that it is a good time. We're needed and I think we are basically appreciated underneath the skepticism, the concerns for abuses. And I think the new model is taking us in ways that are going to build an intelligence structure that will fit with our society, fit with the times, and that the American people will be able to support.

Q. Garbled.

- A. Well there is no doubt that we have done ourselves harm. I mean the King Hussein story in the newspaper here isn't primarily injurious to our relations in the Middle East in February of 1977. It is injurious to the confidence that other intelligence agencies and prospective spies and present spies who are on our payroll will place in us. I had to take some extraordinary steps as a result of that one release to keep some people going. When this man Snepp published his book, the very next day, a foreign agent working for us against his country in our interest called us up and said quits--if you can't keep secrets better than that I'm not going to risk my neck with you people. Now I don't think these are a result of things that we've been doing in what I call this new model. These are the results of these excesses: the Snepps, the stockwells, the leaks that are occuring through the system. I mean the leak on the Hussein thing, and I'm not sure where it came from, but that just can do us in over the long run. As I say, I didn't mention it but in addition to hoping to reduce the corpus and increase protection and respect we're taking some draconian steps to tighten security areound those things that have to be kept secret. We had a spy case in a major manufacturer on the West Coast. Just a year ago right now it was discovered. I just got a report yesterday from one of our reinspections of that organization. And I'11 tell you I went out and told not only them, but the whole aerospace industry that has any contracts with the intelligence business, that the next not only proven leak but any sign of failure to adhere to standards would lead to my withdrawing the security clearance for their factories. They listened and their response has been great and they understand that some of them were lax, not just the one that had the spy. We are just doing things like that every way we can to tighten up. But it is going to take cooperation of a lot of people over and above the intelligence world.
- Q. I thought you were very hopeful in terms of the prospective relationship between the Executive Branch and the Congress in this whole area of oversight. You know better than most that the leadership can no longer produce the rest of the soldiers in the Congress as was the case ten or fifteen years ago. Are you reasonably confident that this relationship on a protracted basis can work out and you can restore the kind of sense of mutual confidence that is absolutely essential to this situation?
- A. Well, you know, one of the things that prevented the Congress from having confidence in the intelligence is that if you are totally secretive, they don't know how to judge whether they should trust you. So being more forth-right with them—but clearly I can't tell them the innermost secrets, I mean the names of agents and nobody up there would really ask for them—but you have to hope and I have reasonable confidence, Joe, that as I said, their shoulders grow broader when they have the responsibility of carrying that load.

- Q. Well, to tell you the truth I feel a little burned because I asked that question for a reason. But I can remember Henry and I briefing six committees on the whole Angola operation where we failed to get the \$50 million that we needed. And that whole debate took place as if we had never briefed any of the oversight committees at all. So I hope what you say, and I'm all for it obviously, because the new people on the Hill really didn't feel that a Committee could talk for any individual member of Congress.
- A. Let me give you one example that might be reassuring. Last spring I went before the Senate Select Committee on Intelligence and said: "The President does not object to your publishing a single figure of the budget of the Intelligence Community. We will object very strenuously to two figures." If we start fracturing it down, then the other side can tell you're putting your emphasis here or there. But to give the American public an overall idea that we're now spending \$50 billion a year--we wouldn't object to that. But we will not take the initiative. They kept trying to push the initiative back on us and we kept saying no its up to you Gaston. And they voted 9 to 8 to release the figure with the 9 being half liberals and half conservatives and the 8 the same way. They never have taken it to the floor of the Senate. The result shows they're being very cautious and very delicate despite the fact that you could get great rhetoric out of many of the liberals on the Hill that this must be published. It will be interesting to watch whether it comes to fruition, if ever.
- Q. Admiral, our citizens and experts are very much divided on the subject of force level capabilities. Our's and their's—the Soviet Union/Warsaw Pact versus the West. And in the agency before your arrival I believe it was the Team A and Team B. But this debate continues and is, of course, very critical to the eventual ratification of the SALT Agreement. In fact, I would go way out on the end of the limb and say as things are today I doubt that a SALT Treaty of the kind that the Executive has produced would be ratified. What is your technique to try to resolve this difference? Do you go with Team A or Team B or do you say that we must have a bottom line in which everybody is agreed or is there an Agency estimate?
- A. Yes, and if I were not here I would be rewriting more of it still. I woke up at 5 o'clock this morning and I was writing it in my head in the bed. A part of the estimate that you are talking about, we sort of divided into facts—force levels and intentions—two pieces this year. But I'm not going to Team A or Team B for I think obvious reasons, because it was a catastrophe last year, not because of the principle of A and B, but because it got so acrimonious somebody wanted to take it to the public forum. Bob Bowie, whom I'm sure many of you know and respect as highly as I do and whom I'm blessed to have had come down here to help me, is organizing what we would call a stable of advisors. I hope to have 30 or 40 people who will have their clearances and be on tap, at times mutually convenient, to help us on a wide gamut of estimating processes. My plan is that when we come to something like this the first thing we do is look

at our own internal biases. We are all hawks so we want to go to this stable and find a dove. If we have all experts on nuclear weapons we want to go find a poet. I mean that, I want on every panel to have one man who is not an expert. Who is only a woods for the trees--I guess it's trees for the woods--and one who could see the big picture. So first of all we want outside advice to come from this group of consultants who will start with the study at the beginning, come back and look at it in the middle and maybe do something with the goals and then be there for the windup and their advice to me. Secondly, I have almost forbidden footnotes. Now I don't mean academic footnotes, but in the intelligence game footnotes are used to express dissenting opinions. But, in my opinion, when you write the text and you write the footnote I can't compare them. They usually have a little different assumption underneath So I'm now insisting that you two guys sit down until you can write it out in the text and if your dissenting opinion is worth expression I want it in the text in juxtaposition with the basic majority, or my, as the arbitrator's view. There is no way, however, I want to suppres the dissenting opinions because I think bringing them out constructively in the text is the way that you give meat to the study and let the decision maker understand what's there and not just try to feed him an answer.

I was on the so-called Rockefeller Committee and I included a footnote in which I said I thought it would be in the public interest to disclose the one figure--the gross annual appropriation--and it still seems to me that that would ease a lot of tension and uncertainty among the people. But as a result of my experience there, and I'm interested in your comments on oversight and I think that's important, but it still seems to me that the most important thing in the CIA is what I would call the in-house side. And that is that the management (and that means specifically the Director of Central Intelligence) should keep this from getting too far overboard from needing to have too much secrecy, but then find ways to keep secret what is secret. The latter being extraordinarily difficult and on that I would just like to make an observation: I participated in the Supreme Court stages of the Marchetti case. I authorized appeals twice in it, and filed briefs in opposition in the Supreme Court. This was the one case where prior restraint has, in most cases, been retained by the Supreme Court but not upset by the Supreme Court. I was concerned in connection with that case because I thought that the whole thing might have been avoided and certainly minimized if the people who reviewed the manuscript within the Agency hadn't reached out for so much and objected to this and objected to that. It fell in my line of duty to [garbled] out of it and I had the greatest difficulty in seeing that there could be a real basis for objection to a lot of it, although there obviously was to the other part and if it had been more narrowly reviewed -- that is, narrowly in terms of what must be kept out--it seemed to me that: (A) no harm would have been done, and (B) a lot of problems might have been avoided.

A. I disagree with you very, very much. It's a slow difficult process because, of course, the concern is if we don't draw the line here we'll be forced back six inches and that will be too far, if you draw it where you really have to. But I agree with you. Yesterday I signed a paper suggesting that we be more forthcoming on the question of the Glomar

- Explorer. I have already made one move on that. Until a few months ago we never even admitted any connection with it. We now admit that it was an intelligence activity. Which isn't going very far. We do have some real problems about how far you can go with it. But I'm trying now to get through the bureaucracy—enough more opening up of it—so that, among other things, we'll get credit for some things.
- Q. At some level of operations it seems to me that intelligence is fundamentally a dirty business. You used an example a while ago of somebody, a foreign national, working against his own government. The spotlight on intelligence makes the population of this country wonder why there are intelligence people in business. It is never going to be that and I see this contradiction between some of the things that you're saying about open intelligence, open clearn operations by either of us. It is a dirty, sometimes immoral business.
- A. Well, I've said that my job is to do some indecent things in as decent a way as possible. But there is no question in my mind we're not opening up everything. There are so many things that we have to do that if you don't do them secretly they just can't be done at all. I'm saying, just like Dean Griswall's saying, that even over and above the factual data that we can open up as much as we can until we get to the quick and at that time we must hold the line absolutely firm. For instance, on how we get information. The two men I referred to who compromised information at a contractor's plant in California -- they gave away what may be a billion dollars of your's and mine--by compromising a complex technical system which now will be countered and we'll have to go to the next generation. That's costly. Lives are at stake, money is at stake, success is at stake. So I certainly don't disagree with you, but what harm is there in my telling the world that out at Langley I have one of the largest, best research organizations in this country. And they sit out there and they read newspapers, they read Pravda, they read reports from agents, they read reports from signals intelligence, and lots of other sources of information. I won't tell you much about their sources or what not, but sometimes I can even describe the process of bringing together the clues that make the picture out of a whole lot of inchoate material and it's exciting and it's just like research on your campus. It's not mysterious, it's not secretive other than in the context of the content. I think the public--maybe if they understood we do some of that kind of thing as well as sleuthing--would be a little more comfortable.
- Q. May we address the question of coordination from within the analytical statistics in the operational side? Do you see as one of the problems how have is to restore some confidence in the coordinated requirements of our intelligence community in view of the competition between the services? And the problem of having some doubts about one's own capabilities and analytical conclusions. It seems to me it's important. And how, besides the use of consultants, do you go about providing for that?

- A. Well, I think there are several ways. One is you have got to set the example and not accept work that doesn't examine alternatives and is rigorous in its logic. But secondly, I count very heavily on the fact that the Department of Defense has, and quite independent of me, the Defense Intelligence Agency which specializes in analyzing military intelligence with a second in political intelligence. The State Department has a bureau of intelligence research which specializes in political with a second in economic, and the CIA has the National Foreign Assessment Center, which we've just created in a sense, which Bob Bowie heads up. It specializes in all three. So whenever we are going to do an estimate I'm counting at least two points of view in any major part of it. I go from this luncheon to a meeting of my board of Vice Presidents, representing those agencies, representing the various other ones that collect intelligence. We meet quite regularly and we go through any estimate that's made. If they don't speak up and give their dissenting opinion I'm going to fire them. I mean that's what they're there for, There's no assurances all these systems will work but you have to count on one or the other triggering it. Finally you have the fact that the men who are really in charge of these two other analytic agencies. At State and at Defense, are Cabinet Officers and, if in producing an intelligence estimate I run roughshod over them and don't let their dissenting view come either in a footnote or the text, I'm not worried that they are going to be too bashful to take their complaint where it counts - to the President.
- Q. Admiral, would you care to comment at all on the press reports of unhappiness among large numbers of the personnel that have been separated recently from the Agency and the manner in which some of these separations have taken place.
- A. I'd be happy to. I came to the Agency in March. I found a universal opinion which I have never yet found a refutation to by even one individualthat we were overstaffed. I found that they were doing a study to figure out how to get down to where they belong and I encouraged them to move along expeditiously. Results came to me with several opinions as to how large the cut should be and how long a period it should be carried out over. I took the smaller cut and the shorter period of time. I decided to be conservative on the one hand but to lance the boil and get it over with. I'm reaping the unhappiness as a result of the lancing. I haven't any concern. I'm hunkering down and I'll take my blows on the back. basic morale of those people is good. It's high, that is, they are motivated, dedicated public servants. I don't know how you have reacted to the press; I'd be interested in your comments but I see something here which is an interesting phenomenon. Schlesinger fired 2,000 in three months and he had the same kind of reaction, the same kind of noise. But the press didn't bother to play it up because that was before all the Rockefeller, Church, and Pike investigations. The CIA was not as handy a byword for gaining a headline and gaining attention. So the press is playing this up now but I find very few people here or from the reports I get sometimes through the oversight committees out in the hinterlands that the public is really upset with me. The columnists are because it

makes good press. But I think a lot of people are pleased that somebody's trying to take on the bureaucracy and thin it down. It needs to be and I cannot run that Agency and keep up morale if we are overstaffed, overmanaged and under-utilized, because the people are too good. If you have a mediocre group of people, you can under-employ them and they're happy. If you've got top notch people you can't do that. So I'm there to build for long term morale and I can't keep the 28 and the 35 year olds in that organization if they don't have good, hard demanding jobs...[end of side A on tape]...of the number I have to force to leave, because we have regular attrition that took a good part of it. But I will not take the easy way out and endanger the long term interests of the Agency in terms of making it easier for myself in the short term.

- Q. The query that comes to me though is not so much the reduction in force, it's the assumptions that created it. You released what looks like a very large number of people. One wonders from what part of the Agency they came. What function is being dismantled—maybe it's all across the board so it isn't a function—but a cut of that size suggests that some function of the Agency is no longer necessary, or that we are not in the cold war business, or that we don't—or that the technology has changed the requirements of manpower.
- No, the press is running all this kind of wild speculation and it's totally false. Of the 820 positions that are going to disappear over the next two years, 807 of them are in the Headquarters, or associated continental U.S. elements, 13 are in the overseas stations. So what we are taking out is overhead. Now the country went through the 1950s with the CIA a covert action organization. Look at the things we chalked up a few good and a lot of bad. When we went through the 1960s and early 1970s it was a CIA/Vietnam/Laos/Cambodia covert action operation. Do you want all that? Is that what we want in the future? No. Covert action is on the skids, it's down. I want to maintain a covert action potential and capability, but we are doing very little and we don't want to do very much. And I'm not sure we will ever go back to thousands of people on that payroll. But other than that, if I were trying as the press intimates, to favor technical collection over human collection I would have cut the people overseas. That's where they are collecting intelligence. I'm not a bug for the technical. I think the human has got to be maintained and that's why I'm strengthening it but reducing the amount of supervision the poor guys in the field get.

